

AN ORDINANCE **9 8 6 6 3**

**AMENDING THE CITY OF SAN ANTONIO, TEXAS GUIDELINES AND
CRITERIA FOR TAX INCREMENT FINANCING (TIF) AND
REINVESTMENT ZONES AS AMENDED AND APPROVED BY
ORDINANCE NUMBER 96621 ON OCTOBER 24, 2002**

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WHEREAS, TIF is an economic development tool codified as the Texas Tax Increment Financing Act, V.T.C.A., Tax Code, Chapter 311, and is used by the City of San Antonio to finance needed public improvements primarily inside Loop 410 and South of Highway 90; and

WHEREAS, in July 1998, pursuant to recommendations from the Community Revitalization Action Group, the City Council adopted the first two-year *City of San Antonio, Texas Guidelines and Criteria for Tax Increment Financing (TIF) and Reinvestment Zones* (hereinafter "Guidelines") to serve as policy direction to City staff, potential applicants, and other interested parties regarding the use of tax increment financing to support public improvements within certain designated areas of the City; and

WHEREAS, City Council amended the two-year Guidelines on September 21, 2000, and subsequently amended them for clarification of two issues on October 12, 2000 by Ordinance Number 92710, effective through September 30, 2002, and again by Ordinance Number 96621 on October 24, 2002, effective through September 30, 2004; and

WHEREAS, the City Council has directed City staff to consider additional revisions to the Guidelines in order to address issues raised in memorandums to City Council by Mayor Ed D. Garza dated May 14, 2003 and by Councilman Julian Castro in a memorandum dated May 19, 2003; and

WHEREAS, the Neighborhood Action Department (hereinafter "NAD") of the City of San Antonio, in consultation with the Housing and Neighborhood Action Team, the Urban Affairs Council Committee, and various government and private groups interested in economic development and community revitalization, held several meetings to discuss and prepare the requested revisions to the Guidelines to better serve the needs of designated areas of the City; and

WHEREAS, several major revisions to the Guidelines are proposed by NAD, with input from the Public Works, Parks and Recreation, Development Services and the Fire and Planning Departments, which are designed with the goals of improving the quality of residential and commercial developments in the City, achieving higher development standards for projects assisted through other City programs, and enhancing the infrastructure of economically distressed, unproductive, underdeveloped or blighted areas in the City; and

WHEREAS, NAD staff presented proposed revisions and amendments to the Guidelines to the Housing and Neighborhood Action Team on August 27, September 3, September 24, and October 8, 2003, to the City Manager on October 24, and December 11, 2003 and to the Urban Affairs Council Committee on October 27, and December 15, 2003 and on January 5, 2004; and

WHEREAS, the City Council finds that the proposed amendments to the Guidelines are consistent with the City's primary purpose of using tax increment financing to encourage community revitalization and economic development within designated areas of the City;
NOW THEREFORE:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The amended *City of San Antonio, Texas Guidelines and Criteria for Tax Increment Financing (TIF) and Reinvestment Zones* (hereinafter "Guidelines"), a copy of which is incorporated herein and attached hereto as Exhibit "A" are hereby adopted and approved as guidelines and criteria governing Tax Increment Financing for the City of San Antonio.

SECTION 2. All pending applications for tax increment financing shall be processed in accordance with these amended Guidelines. The word "pending" herein shall mean applications on which City Council has not yet held a public hearing to designate the requested tax increment financing shall be required to submit a new application reflecting compliance with the amended Guidelines but shall not be required to pay the nonrefundable application fee if already paid by the City.

SECTION 3. Notwithstanding the above, the Mission Creek and Rainbow Hills TIF Applications shall be processed in accordance with the 2002 Guidelines.

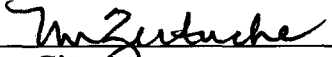
SECTION 4. The amended Guidelines approved in Section 1 of this Ordinance shall be effective through January 31, 2006.

SECTION 5. Should any article, section, part, paragraph, sentence, phrase, clause, or word of this Ordinance, or any appendix hereof, for any reason, be held illegal, or invalid, or any exception to or limitation upon any general provision contained in this Ordinance or its attachments or held to be unconstitutional or invalid, the remainder shall, nevertheless, stand as effective and as valid as if it had been enacted and ordained without the portion held to be unconstitutional or invalid.

SECTION 6. This ordinance shall take effect on the tenth day from the date of passage hereof.

PASSED AND APPROVED this 8th day of January 2004.

ATTEST:  M A Y O R
City Clerk EDWARD D. GARZA

APPROVED AS TO FORM: 
for City Attorney